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International Institute of Communications (IIC) Telecommunications and Media Forum, "Beyond Recession – Visions for Broadband Communications Post 2010"

Washington, D.C.

December 2, 2009

Introduction

Thank you, Jeff, for your kind introduction. Thanks also to the International Institute of Communications for inviting me to speak at your Forum. The IIC provides a valuable vehicle for the international community to address communications issues, and I commend you for focusing on broadband this year. As I'll discuss today, the promise of broadband will promote greater access to communications for all the people of the world. And this is good.

It's also very good to see all of you – I see some familiar faces. And I'm glad that my FCC colleagues, John Horrigan from the broadband team, and Ruth Milkman, Chief of the FCC's Wireless Telecommunications Bureau, as well as others from the U.S. government, are also participating in the Forum.

Setting the Stage: the FCC and IB in the International Arena

As many of you may know, I've recently returned to the FCC after spending some time in the private sector, and since I'm still figuring things out, I'd like to give you some context on what it is that we do in the International Bureau and why it matters for broadband communications – now and post-2010.

We license the services that allow people in this country to communicate with people and businesses all over the world. We license international and domestic satellites, international long distance, and submarine cables. Together with our fellow Bureaus in the FCC, we authorize services and infrastructure that are critical to U.S. consumers in a globally-connected world, whether it's a farmer in Iowa selling crops to a business in Europe or a U.S. doctor reading an EKG on his or her Blackberry.

Being globally connected is important to me as a person who grew up overseas where the only time we ever talked to our family in the United States was when there was a death in the family or some other traumatic event. At that time, international communications were prohibitively expensive and unreliable. How things have changed – now the only thing that keeps us from talking for free to family and friends overseas is the time difference.

We at the FCC also engage in local and global outreach efforts in order to take a constant pulse on what's happening in the communications arena – from next generation networks to the future needs of Generation X. As an example, our broadband team has been traveling to various countries to get information on what have been successful and not-so-successful broadband policies around the world. And our outreach efforts are bidirectional.

We engage in dialogues with other regulators, negotiate with our counterparts on important cross-border issues, pursue partnerships, and provide technical and regulatory expertise to other U.S. Government entities. We encourage innovative communications technologies and more efficient ways to use spectrum; we take fresh looks at legal and policy issues; and we even try to learn from the past and plan for the future.

We have an important mandate from Congress – to be the best communications regulator possible for the American people. Since my portfolio is international, I can assure you that the FCC's role in this regard doesn't stop at our nation's borders. Chairman Genachowski and I share the view that the FCC has both a domestic and an international role.

How We Got Here - A Quick Look Back

So, getting to the topic at hand – "Beyond the Recession -- What are the Visions for Broadband Communications Post 2010?" Let me first say that I certainly hope the recession ends before 2010 ends. If that happens then we can start with an earlier vision for broadband connectivity. But before we look forward, let's take a quick look at how we got here.

In the United States, one of our early applications of the Internet was for education. Recognizing the power of the Internet for learning, in 1994, the Clinton Administration announced a goal of connecting every classroom and library in America to the Internet, and Congress created a program called "e-Rate." In 1994, only three percent of U.S. schools were connected to the Internet; by 2000, over 90 percent of public schools were on-line, and the U.S. is a leader in this regard.

But, the United States has lagged behind other countries with respect to Internet connectivity in homes and businesses. Unlike the e-Rate program for education, the United States has not had a national strategy for broadband regarding the nation's homes and businesses. However, as you all know, earlier this year, in the Recovery Act, the U.S. Congress set aside more than \$7 billion for near-term broadband grants – in what has been called a "first step to driving universal broadband." Furthermore, the FCC was charged with developing a National Broadband Plan that is due by February 17, 2010.

So, it's all about broadband at the FCC right now with fabulous teams of experts working together to develop key parts of the vision for broadband in the United States. As Chairman Genachowski said in a speech in Arkansas last week, "with a vision and a plan, the U.S. can and will lead the world."

Why Broadband Matters: The Power and Promise of Broadband

All around the world, each country has had unique beginnings, discoveries, and inventions. But we all share a need for critical infrastructure to survive and thrive. We all need transportation, whether it is by train, plane, or automobile, or for some, by donkey, skateboard or our own two feet. And electricity. And water.

And don't forget communications. In my previous life, I worked on a couple of cross-sectoral poverty reduction projects where we were constantly challenged as to why telecommunications should be considered part of the critical infrastructure of the country, but I don't think I need to make those connections to this audience.

Since we agree that broadband is an important form of communications critical infrastructure today – and certainly tomorrow – what's all the hype about? What is the power and the promise of broadband? Please indulge me while I take some points made recently by the Chairman to explain and expand the international context.

- 1. First, broadband is crucial to our nation's economic success.
 - In fact, it is crucial for the economic well-being of the world as a whole.
- 2. Second, broadband helps tackle national challenges like education, health care, energy, and public safety.
 - Not only are these national challenges but are challenges around the world.
- 3. Third, broadband allows citizens to engage their communities and representatives more effectively.
 - While this is certainly the case here in the United States, it is even more important in other countries where non-telecom infrastructure is poor or sometimes non-existent.

So just as our country strived in the past to ensure that other critical infrastructure like highways and electricity were available to all Americans, now we seek to achieve that same ubiquity for broadband services in the United States. Simply put, our goal back then for infrastructure was universality and our goal today for broadband is universality.

Broadband has the potential to help lead us out of the economic crisis and to become an enduring platform for global prosperity and opportunity. In the United States, our information and communications technology sector represents about one-sixth of the U.S. economy. On a more global level, the World Bank estimates that a 10 percentage increase in broadband penetration corresponds to a 1.2 percentage increase in Gross Domestic Product in <u>developed</u> countries, and even higher increases in the developing world – a range of 1.2 to 1.5 world-wide.

There is no other means so fundamental and immediate as broadband for social interaction and communication, and for facilitating and supporting new, yet unimagined areas of economic activity and innovation across many sectors – energy, science, medicine, disaster assistance and emergency response, education, entertainment, banking and government.

Broadband Around the Globe

As I mentioned earlier, at the FCC, we seek to learn from other countries on many issues. Part of our job in the International Bureau is to be an importer and exporter of "best practices." Broadband is a good example. Last month, during the Chairman's first international trip to

attend the ITU's Global Symposium of Regulators in Beirut, Lebanon, we had the pleasure of talking about broadband with the international community.

There we discussed with leaders of communications agencies from around the world our collective experience in encouraging innovation in various technologies, particularly mobile networks, promoting competition, and tackling the challenges of extending broadband access. Based on what we heard, we can tell you that other countries are not standing still. They are focused on the deployment and adoption of 21st century information and communications technologies. By our calculations at the FCC, 22 countries have already developed and are executing national broadband plans. The United States, by contrast, didn't commit to developing a broadband plan until last February when the Recovery Act directed the FCC to do so.

As part of that trip, we also visited the United States Central Command military base in Qatar, whose areas of responsibility include Afghanistan, Iran, Iraq, and Pakistan. During that visit, we saw mission critical military applications of broadband as well as applications that could be used by anybody, be it a U.S. soldier stationed overseas, a student in Africa or an entrepreneur in Uruguay.

As an example, we saw applications involving tele-learning that allowed soldiers stationed thousands of miles away from the United States to obtain an undergraduate or graduate degree from one of our fine U.S. institutions. We saw tele-medicine applications that allowed people to obtain medical information from remote locations.

Probably the most heart-warming use of broadband was the way it allowed soldiers to connect with their families and friends back home. Imagine how it changes a soldier's life to be able to all of sudden be able to talk to his loved ones on a daily basis because WiFi access has been installed across the base. I can tell you that everyone I spoke with on the base agreed that providing access to broadband was the single most important morale boost on the base. By the way, the access points were evidently all installed by personnel on a volunteer basis after their regular ten or twelve hour shifts were done.

FCC Broadband Team's Efforts

So, broadband is important and we are tasked at the FCC with formulating a plan. As part of the FCC's due diligence in drafting the broadband plan, the agency has engaged in extensive outreach – domestically and internationally. We've held numerous workshops and hearings on many aspects of broadband. The broadband team has been taking a hard look at broadband deployment in other countries in order learn from their examples, especially those that are ahead of the United States.

In August, the FCC hosted an "International Lessons" broadband workshop to provide an overview of the international experience with broadband. The workshop highlighted select national broadband strategies, with a particular focus on the deployment of broadband infrastructure, increase in adoption, and successful regulatory approaches. The Commission sought to identify global best practices for broadband strategies within other nations that may have particular relevance to expanding broadband deployment, adoption and usage in the United

States. The workshop also focused on metrics – that is, approaches to benchmarking analysis for such data, and use of international comparisons in policy formation.

One example profiled at the FCC's workshop on broadband abroad was Korea. In Korea, the average download speed is 43 Mbps, and 60% of households have access to speeds of 100 Mbps. Korea has a voluntary government broadband certification program for residential apartments, in which they can be certified as providing a given Internet speed. Apparently, this certification increases property values, and in Korea, now it is almost essential to obtain this certification to sell high-end residences.

And in addition to what other countries are doing in their deployment of broadband, the FCC recognizes that there's another important component: the global communications infrastructure and services for "global broadband." It is a global, mobile, digital world. Information is "located" in places throughout the United States and all over the world, as are the users of information

The needs for obtaining and sending information that people use spans across time zones and geographic boundaries. Global broadband and universal connectivity inure to the benefit of Americans and people worldwide in many respects. Economy, trade, health/medicine, education, agriculture, national security, e-government, transportation, environment, weather, disaster warning and emergency response – these are some examples we've all heard about.

So to ensure that critical infrastructure and services like these are considered in the FCC's broadband plan, we've added a workshop called "Global Broadband Connects America and the World: Infrastructure, Services and Applications," which will be on December 10, 2009 at 9:30am at the FCC. Please consider this an invitation to attend the workshop and if you cannot be there in person, then please feel free to listen in on the webcast.

The workshop will take into account how global broadband and universal connectivity enable people and entities in the United States to communicate globally and to send and receive information worldwide, as well as how broadband enables people and entities abroad to stay connected with the United States. Encouraging wider deployment of broadband in the U.S. and around the world, can lead to universal connectivity, thereby bringing the benefits of a global, mobile, digital world to people and entities everywhere.

Mobile Broadband

Of course, we can't talk about broadband without mentioning the importance of mobile communications services. I won't go on at length about it because Ruth and others will be giving more detail on mobile issues. However, it is now said that mobile telephony is a "planetary phenomenon." Mobile broadband subscribers have recently overtaken fixed broadband subscribers.

People around the world are using their 4 billion mobile phones in extremely productive ways. For example, in Africa, where there are now 250 million mobile subscribers, millions of people

are now using mobile banking on their cell phones – most of whom had never had a bank account or ever used a bank for any transaction.

Yesterday, I heard a story on the radio that said that in the United States, African American and Hispanics are using their mobile phones more robustly than other ethnic groups. They are texting, sending emails, playing music and instant messaging at higher levels. This is particularly true among young Latinos and African Americans, and also of their parents. Often a mobile upgrade is cheaper than paying for a home broadband connection and a computer. While this was based on results of a Pew study here in the United States, I would venture to say that it is being repeated around the world as mobile phones bring capabilities that many consumers could only dream about just a short time ago.

Having access to information services and Internet on a constant basis on one's mobile phone is life changing. We see this all over the world. Access to Internet is growing exponentially on mobile phones and for some it may mean less reliance on more traditional community based access such as in telecenters or Internet cafés.

Conclusion

We at the FCC are very much interested in greater engagement with the global information and communications technology community. We will be engaging in an ongoing dialogue about how to ensure that our information and communications infrastructure becomes an enduring engine for opportunity and economic success. For we all share a common goal: to empower our citizens with the resources and the opportunities they need to succeed in their communities, in their country, and in the world.